

October 6, 2015

The Honorable Edmund G. Brown, Jr.  
State Capitol  
Sacramento, CA 95814

RE: Senate Bill 377 (Beall) – SUPPORT and Request Signature

Dear Governor Brown,

On behalf of the San Luis Obispo County Board of Supervisors, I write to express our support of Senate Bill (SB) 377 and to respectfully request you sign SB 377 into law.

SB 377 expands on the proven success of the Low Income Housing Tax Credit (LIHTC) program, which has effectively financed the development of more than 300,000 affordable homes in California since its creation in 1987 through public-private partnerships. Here in San Luis Obispo County, the LIHTC program has been instrumental to the creation of affordable housing, particularly in the past few years following the recession.

Under current law, investors must receive an ownership interest in the partnership that develops a LIHTC housing project to claim the tax credits. SB 377 allows a developer to sell LIHTCs to an investor without making the investor a part of the ownership partnership. This results in a reduced federal tax liability, thereby increasing the value of the credit to the investor. Allowing the sale of State LIHTCs in this manner will increase the efficiency of the program and generate more affordable housing units.

Recognizing the gravity of the housing crisis in California, the Legislature passed SB 377 with bipartisan sponsorship and support. Given the depth of the housing affordability crisis facing our communities and the decline in state investment that has occurred over the past five years, we respectfully request your signature on this important measure.

Sincerely,

DEBBIE ARNOLD  
Chair, San Luis Obispo County Board of Supervisors

CC:  
Assembly Member Katcho Achadjian  
Senator Bill Monning  
San Luis Obispo County Board of Supervisors